

LMS Project Ranking System Introduction

At the March 2008 LMS Working Group meeting, we introduced a priority ranking system for projects as an alternate and upgraded method to our current system. We don't necessarily need a different system, it's just that we aren't using the system we have and this one appears to be better.

Up to this point, each jurisdiction has been putting together its projects for the LMS Appendix 9 Initiatives List and ranking them one against the other. The Working Group then submits the whole list to Florida Department of Emergency Management (FDEM) annually. We do this because it is required in Florida Administrative Code (FAC) Rule 9-G 22, which describes the processes for application, project selection and distribution of funds under the Hazard Mitigation Grant Program (HMGP).

Under rule 9-G22, each jurisdiction has adopted the overall Pinellas County LMS Plan, thus becoming eligible for available HMGP funds. The rule requires that we, as a working group, send in our list of projects in priority order. Our current project listing does not have this priority ranking.

When we send in our list, projects are simply listed alphabetically by jurisdiction. You can check this by looking at the project list at <http://www.pinellaslms.org/> and click on Updated Project List in the left panel. Each jurisdiction with multiple projects establishes the priority of its projects. Still, none of the projects has a "score" in the first column of the listing on Appendix 9. This score is what would be used to establish a priority of one project compared to another.

We have checked with FDEM and they said that when they get a list without any priorities assigned they take no action. Each project is the result of considerable time, effort, and expense and to have them sit dormant simply because we didn't rank them is unacceptable.

The rating system we are looking at has been in use in Miami-Dade for some time. They have found that it deals with projects on an objective basis and all participants feel that it is fair and equitable. There are three files you need to read to understand the system. This introduction gives some background and the action plan for implementation. The other two are the spreadsheet that does the calculations to produce a score for the project, and an explanation of the 16 separate components that are used to prioritize the projects. All the files are together at the website. Click on Project Priority on the left of the home page.

The LMS Priority Definitions file is the explanation of the variables that are used to do the calculation. There are three components of the total score, with a total of 16 variables resulting in a total of 1500 points that are then converted to a percent score. You will assign the score to each of the variables. The calculations done by the spreadsheet are automatic and work like this:

30% Suitability of the project

- 40% Appropriateness of the Project
- 15% Community Acceptance
- 10% Environmental Impact
- 10% Consistent with Existing Legislation and/or Policies
- 25% Consistent with Existing Plans and Priorities

45% Risk Reduction produced by the project

- 15% Scope of Benefits
- 35% Potential to Save Human Lives
- 15% Importance of Benefits
- 10% Level of Inconvenience or "Nuisance Factor"
- 10% Economic Effect or Loss
- 15% Number of People to Benefit

25% Cost of the project

- 20% Estimated Costs
 - 75% Initial Cost
 - 25% Maintenance/Operating Costs
- 40% Benefit to Cost Ratio

- 10% Financing availability
- 10% Affordability
- 20% Repetitive Damages Corrected

The LMS Prioritization Matrix spreadsheet actually does the calculations based upon your scoring of the variables.

Several questions came up during the presentation at the LMS Working Group meeting. They will be repeated and addressed here:

One question regarded the possible necessity of having the LMS plan re-adopted by all the city councils because selecting a new prioritizing program would constitute a change to the plan. The general feeling was that this is not necessary but this will have to be verified. It should not be necessary because last month, the Working Group voted to change the bylaws so that PC Emergency Management was given a vote in Working Group matters. This did not result in City Councils having to take action to re-adopt the LMS although the bylaw modification was a fundamental change in how the LMS Working Group functions. The change we are proposing is simply a modification in how projects are assigned a priority. We already have a system, we are just agreeing, as a group, on one we feel will be better.

NOTE – the upcoming update to the LMS, due in 2009, will have to be submitted to each municipality and re-adopted by each city council.

Another question related to how we could assure each other that each municipality would not simply assign the highest scores possible to each parameter to insure that their project was high on the priority list. Initial discussion seemed to indicate that, if we assume the scores are assigned to the variables honestly, the detailed nature of the parameters would prevent this.

A final question was raised about how to handle a tie score. Of course, the final decision on this issue will be up to the working group itself, at the point where a tie score occurs. That said, a tie seems unlikely with 3 variables, 16 individual criteria, and a total of 1500 points that can be awarded to each project. Nevertheless, should that occur, we will need to establish a method to adjudicate the problem.

Action Item – Here is what we will do between now and the next meeting of the LMS Working Group. The fastest and most logical way to address both the question about inflated scores and handling a tie would seem to be to go ahead and use it and see how it works. That is, try it and see what the result is.

First, each jurisdiction should use the draft priority system to evaluate its pending projects. Send in the spreadsheet and the scores will be put on the list and the projects prioritized. This will tell us what sort of risk we have for tie scores and give us a very good idea of how well the system establishes priorities.

Then, to address the inflation issue, we will make the scores available to Working Group members to see. The sunshine of public scrutiny should provide a reasonable assurance of fairness. At some point, we may feel a need to devise a method for one jurisdiction to protest some other jurisdictions' scores, but let's wait on that till there is a need.

We will use the time between LMS Working Group meetings to gather the scores from each municipality on its pending projects. These scores will be applied to the project list and the result will be a priority ranking. A discussion of that result will occur at the June LMS Meeting and give us a better feel for how the ranking system will fit our needs. We plan to keep the scores applied to the projects confidential until two weeks before the next LMS meeting in June, at which time they will be published to the Working Group. This way there will be time to see how the scoring system worked and prepare questions or issues for discussion at the meeting.